

WHISTLER MIDCO LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

Company Registration No. 11198093 (England and Wales)

WHISTLER MIDCO LIMITED

COMPANY INFORMATION

Directors	Mr D C Humphreys Mr R M Potter Mr C Tracey Mr T Flanagan Mr P N Hullah Mr M J Cheyne Mr S Leusch Mr A R Tomkinson
Company number	11198093
Registered office	Faraday Court 401 Faraday Street Birchwood Park Warrington WA3 6GA
Auditor	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL
Bankers	Royal Bank of Scotland Drummond House 1 Redheughs Avenue Edinburgh EH12 9JW
Solicitors	Addleshaw Goddard 1 St Peter's Square Manchester M2 3DE

WHISTLER MIDCO LIMITED

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WHISTLER MIDCO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2021

The directors present the strategic report for the year ended 31 May 2021.

Promoting the success of the company

The Board of Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors.

The company is a qualifying entity for the purposes of FRS102, being an intermediate holding company in a group where the parent of that group prepares publicly available consolidated financial statements, including this company and its subsidiaries. The financial statements of the company are consolidated in the financial statements of Whistler Topco Limited as at 31 May 2021.

Details of the Company's key stakeholders and how we engage with them are set out below.

Shareholders

Maximising the long-term value for our shareholders, comprising both private equity investment and management, is very important. We have monthly meetings with our main investor which cover not only financial performance but also operational outputs and strategic options available to the company.

Colleagues, Customers, Suppliers & Communities

These areas of section 172 are not applicable as a non-trading parent entity of a group of companies. Those disclosures for trading subsidiary undertakings (where relevant) are provided in their own individual financial statements.

Government and regulators

A key area of focus for the business is ensuring compliance with all applicable laws and regulations. To that end the group has a dedicated Safety, Health, Environment and Quality department which ensures compliance and that the group retains all applicable accreditations.

The board is kept fully abreast of any legal and regulatory developments as and when they arise.

Business review

The company is an intermediate holding company for a group of companies which provides high quality end to end service within the mobile and fixed line telecommunications network and infrastructure sector including acquisition, design, deployment and maintenance of sites.

WHISTLER MIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

Principal risks and uncertainties

The company is an intermediate holding company that supports a group of operational companies, each with their own principal risks and uncertainties. These include competitive pressure, loss of customers, loss of key employees, product liability, Health and Safety and loss of reputation.

The key risk to Whistler Midco Limited is the performance of its 100% wholly owned subsidiary, Whistler Bidco Limited, together with the largest trading company within the group, WHP Telecoms Limited. The performance of these entities ensures that the company is able to service its debt payments as they fall due, and as referenced in their accounts, the directors assess, actively manage, and have policies in place to mitigate key identified risks.

Following the resignation of the position of the United Kingdom from the European Union, the terms of the future trading relationship between the UK and the EU are still uncertain. The directors have considered factors that could impact the company including access to skilled labour, the supply of materials and the location of customers. None of these factors are expected to be significantly adversely impacted by the UK leaving the EU and as a result the directors do not believe there to be any significant risk to the company going forward.

Impact of COVID-19

The Group of which the Company is part has been fortunate not to have suffered any significant financial or operational impact as a result of the COVID-19 pandemic. All office-based staff have successfully operated from either their own home environment or returned to office-based working, where the directors have implemented safety measures, including social distancing, temperature checks and the provision of appropriate personal protective equipment ("PPE"). For field-based staff, the sector in which the Group operates has been classified as part of the United Kingdom's critical infrastructure and appropriate permissions have been gained from all customers to allow continuous working on their respective networks. Continued investment has been made to ensure availability of all appropriate PPE for those staff. The directors have also put in place return-to-work policies and risk assessments are made at all sites before work commences.

Overall, the directors are satisfied with the measures put in place and believe with the lifting of restrictions made in late January 2022, that the group will continue to deliver excellent output for its clients.

Key performance indicators

Management use a range of performance measures to monitor and manage the group of which the company is part. The key financial indicators can be seen within the Strategic Reports of the groups trading entities.

For Whistler Midco Limited specifically, the key financial indicators are to ensure that the investment carrying value of its subsidiary undertaking is free from impairment, and that it is able, where required, to pay upstream dividends. A review of the those subsidiary companies, supports the carrying value of the investment. During the period the company received dividends of £nil (2020 : £8,190,000) and paid dividends of £nil (2020 : £2,000).

WHISTLER MIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

Other performance indicators

Non-financial indicators which are used by the group include:

- Conformance against client Health and Safety requirements
- Measurement of the compliance to Health & Safety and quality assurance by subcontractors
- Output of key delivery milestones including but not limited to site access levels, quantity of design outputs (general agreement drawings, detailed designs), site build completes, handover packs and final accounts

On behalf of the board



Mr D C Humphreys

Director

28 February 2022

WHISTLER MIDCO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2021

The directors present their annual report and financial statements for the year ended 31 May 2021.

Principal activities

The principal activity of the company is to act as an intermediate holding company.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D C Humphreys
Mr R M Potter
Mr C Tracey
Mr T Flanagan
Mr P N Hullah
Mr M J Cheyne
Mr S Leusch
Mr A R Tomkinson

Results and dividends

The loss for the year, after taxation, amounted to £7,134,727 (2020: a profit of £1,691,146).

Interim dividends were paid amounting to £nil (2020: £2,000). The directors do not recommend payment of a final dividend.

Financial risk management objectives and policies

The company is not subject to trading risks as an intermediate holding company. Exposure to credit risk is limited to recovery of amounts owed by group undertakings and this is mitigated through regular reconciliation and assessment of recoverability of balances by group management.

As part of these procedures management also assess and manage exposure to liquidity risk associated with balances owed to group undertakings. The liquidity risk associated with loan borrowings is mitigated by group management ensuring that sufficient funds are available from group companies to service debt repayments. Capital and interest repayments are not required in the short term on borrowings.

Post reporting date events

There have been no significant events affecting the company since the period end date.

Future developments

The Group of which the company is part will continue to deliver successful roll out programs for clients both in the mobile and fixed line sectors. Central government commitments made to improve access to telecommunications networks will further assist this.

The group is also witnessing an increasing requirement for telecommunication investment in private networks and in sectors such as rail and utilities. The establishment of a dedicated business development team will assist in capitalising on these opportunities.

Further integration of the three recent acquisitions made by the group will further enhance delivery and operational efficiency, whilst the imminent move to an integrated operational and financial platform will improve both internal and external reporting capabilities.

Auditor

In accordance with the company's articles, a resolution proposing that DSG be reappointed as auditor of the company will be put at a General Meeting.

WHISTLER MIDCO LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

Energy and carbon report

The company is a subsidiary undertaking and included within the consolidated accounts of Whistler Topco Limited at 31 May 2021 which include the required disclosures on energy consumption.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mr D C Humphreys

Director

28 February 2022

WHISTLER MIDCO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MAY 2021

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WHISTLER MIDCO LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF WHISTLER MIDCO LIMITED

Opinion

We have audited the financial statements of Whistler Midco Limited (the 'company') for the year ended 31 May 2021 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

WHISTLER MIDCO LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF WHISTLER MIDCO LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

WHISTLER MIDCO LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF WHISTLER MIDCO LIMITED

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Discussions were held with, and enquiries made of, management and those charged with governance with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.
- It is considered that there are no laws and regulations for which non-compliance may be fundamental to the operating aspects of the business.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

The likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to the member in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member for our audit work, for this report, or for the opinions we have formed.



Iain White BSc FCA (Senior Statutory Auditor)
For and on behalf of DSG

28 February 2022

Chartered Accountants
Statutory Auditor

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

WHISTLER MIDCO LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 MAY 2021

	Notes	2021 £	2020 £
Administrative expenses		-	(2,700)
Operating profit/(loss)		-	(2,700)
Income from fixed asset investments	5	-	8,190,000
Interest payable and similar expenses	6	(7,134,727)	(6,496,154)
(Loss)/profit before taxation		(7,134,727)	1,691,146
Tax on (loss)/profit	7	-	-
(Loss)/profit for the financial year		(7,134,727)	1,691,146
Retained earnings brought forward		(3,270,955)	(4,960,101)
Dividends	8	-	(2,000)
Retained earnings carried forward		(10,405,682)	(3,270,955)

There was no other comprehensive income in the current or prior period.


WHISTLER MIDCO LIMITED

BALANCE SHEET

AS AT 31 MAY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	9		1		1
Current assets					
Debtors	11	69,098,595		69,098,595	
Creditors: amounts falling due within one year	12	<u>(434,535)</u>		<u>(434,535)</u>	
Net current assets			68,664,060		68,664,060
Total assets less current liabilities			68,664,061		68,664,061
Creditors: amounts falling due after more than one year	13		<u>(79,069,742)</u>		<u>(71,935,015)</u>
Net liabilities			<u><u>(10,405,681)</u></u>		<u><u>(3,270,954)</u></u>
Capital and reserves					
Called up share capital	15		1		1
Profit and loss reserves	16		<u>(10,405,682)</u>		<u>(3,270,955)</u>
Total equity			<u><u>(10,405,681)</u></u>		<u><u>(3,270,954)</u></u>

The financial statements were approved by the board of directors and authorised for issue on 28 February 2022 and are signed on its behalf by:



Mr D C Humphreys
Director

Company Registration No. 11198093

WHISTLER MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

Company information

Whistler Midco Limited is a private company limited by shares incorporated in England and Wales. The registered office is Faraday Court, 401 Faraday Street, Birchwood Park, Warrington, WA3 6GA.

The principal activities of the company are disclosed in the Directors' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Whistler Topco Limited as at 31 May 2021 and these financial statements may be obtained from the address given in note 20.

1.2 Going concern

The financial statements have been prepared on a going concern basis notwithstanding net current liabilities of £10,405,681 at 31 May 2021. The directors believe this to be appropriate as the board of the ultimate parent company, Whistler Topco Limited, have provided an undertaking that the Whistler group (and all entities within it) will continue to make available such funds as are needed by the company, and have confirmed that amounts owed to group companies which totalled £434,535 at 31 May 2021 although technically payable on demand will not be called for settlement before all third party creditors have been satisfied.

This should enable the company to continue in operational existence for the foreseeable future by meeting liabilities as they fall due for payment. On this basis the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

WHISTLER MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

1.3 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.4 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

WHISTLER MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

WHISTLER MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Assessing indicators of impairment

In assessing whether there have been any indicators of impaired assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

Key sources of estimation uncertainty

There are no key assumptions or key sources of estimation uncertainty which might have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Auditor's remuneration

Auditor's fees for the company are borne by the subsidiary company, WHP Telecoms Limited.

4 Employees

The Company has no employees other than the directors, who did not receive any remuneration.

5 Interest receivable and similar income

	2021 £	2020 £
Income from fixed asset investments		
Income from shares in group undertakings	-	8,190,000
	<u> </u>	<u> </u>

6 Interest payable and similar expenses

	2021 £	2020 £
Other loan interest payable	7,134,727	6,496,154
	<u> </u>	<u> </u>

WHISTLER MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2021

7 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	-	-
	<u>-</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
(Loss)/profit before taxation	(7,134,727)	1,691,146
	<u>(7,134,727)</u>	<u>1,691,146</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(1,355,598)	321,318
Tax effect of expenses that are not deductible in determining taxable profit	881,139	802,788
Tax effect of income not taxable in determining taxable profit	-	(1,556,100)
Unutilised tax losses carried forward	474,459	431,994
Group relief	242	-
Previously unrecognised deferred tax assets	(242)	-
	<u>-</u>	<u>-</u>
Taxation charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

Finance Act 2021 included provisions to increase the corporation tax rate from 19% to 25% with effect from 1 April 2023.

The company has gross tax losses carried forward at 31 May 2021 of £7,199,409. These losses have not been recognised as a deferred tax asset calculated at 25% of £1,799,852 as there is uncertainty around the timing of their utilisation.

8 Dividends

	2021 £	2020 £
Interim paid	-	2,000
	<u>-</u>	<u>2,000</u>

9 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	10	1	1
		<u>1</u>	<u>1</u>

WHISTLER MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

10 Subsidiaries

The following are subsidiary undertakings of the company. Those marked with an asterisk are indirect shareholdings held through the direct subsidiary, Whistler Bidco Limited.

Details of the company's subsidiaries at 31 May 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held
Whistler Bidco Limited	Faraday Court, 401 Faraday Street, Birchwood Park, Warrington, WA3 6GA	Ordinary	100.00
Cooper Topco Limited*	Faraday Court, 401 Faraday Street, Birchwood Park, Warrington, WA3 6GA	Ordinary	100.00
Cooper Bidco Limited*	Faraday Court, 401 Faraday Street, Birchwood Park, Warrington, WA3 6GA	Ordinary	100.00
Paragon Telecoms Limited*	Faraday Court, 401 Faraday Street, Birchwood Park, Warrington, WA3 6GA	Ordinary	100.00
WHP (Holdings) Limited*	Faraday Court, 401 Faraday Street, Birchwood Park, Warrington, WA3 6GA	Ordinary A, B, C and Preference	100.00
WHP Telecoms Limited*	Faraday Court, 401 Faraday Street, Birchwood Park, Warrington, WA3 6GA	Ordinary B	100.00
Sitec Infrastructure Services Limited*	Faraday Court, 401 Faraday Street, Birchwood Park, Warrington, WA3 6GA	Ordinary	100.00
Redhall Network Solutions Limited*	5 Midland Court, Midland Way, Barlborough, Chesterfield, S43 4UL	Ordinary	100.00
Redhall Network Solutions Holdings Limited*	5 Midland Court, Midland Way, Barlborough, Chesterfield, S43 4UL	Ordinary A	100.00
Blue Clarity Design Services Ltd*	The Belfry, 54a Main Street, Newcastle, Co Down, BT33 OAE	Ordinary A, B, C and D	100.00
Intelligent Communications Solutions Limited*	9 Blackwell Drive, Springwood Industrial Estate, Braintree, CM7 2QJ	Ordinary	100.00

WHISTLER MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2021

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Amounts owed by group undertakings	69,098,595	69,098,595

Amounts owed by group undertakings are unsecured, interest free, and repayable on demand.

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	434,535	434,535

Amounts owed to group undertakings are unsecured, interest free, and repayable on demand.

13 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Other loans	14	58,500,000	58,500,000
Accruals and deferred income		20,569,742	13,435,015
		79,069,742	71,935,015

14 Loans and overdrafts

	2021 £	2020 £
Other loans	58,500,000	58,500,000
Payable after one year	58,500,000	58,500,000

WHISTLER MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

14 Loans and overdrafts

(Continued)

Loan Notes falling due in more than one year of £36,796,795 represent Fixed Rate Unsecured Ten Per Cent Investor Loan Notes from shareholders Equistone Partners. Interest charged in the period was £4,530,482 (2020: £4,120,559). The loan notes are due for redemption on 6 July 2024. The loan notes are secured by way of an intercreditor deed between the company and Whistler Topco Limited and Whistler Bidco Limited. Until the loan notes are redeemed or repaid interest will accrue, compounding annually on 28 March, and be paid on the redemption date.

Loan Notes falling due in more than one year of £7,892,074 represent Fixed Rate Unsecured Ten Per Cent Investor Loan Notes from shareholders Palatine Private Equity. Interest charged in the period was £971,685 (2020: £883,766). The loan notes are due for redemption on 6 July 2024. The loan notes are secured by way of an intercreditor deed between the company and Whistler Topco Limited and Whistler Bidco Limited. Until the loan notes are redeemed or repaid interest will accrue, compounding annually on 28 March, and be paid on the redemption date.

Loan Notes falling due in more than one year of £13,811,131 represent Fixed Rate Unsecured Ten Per Cent Investor Loan Notes from directors and senior management. Interest charged in the period was £1,632,560 (2020: £1,491,829). The loan notes are due for redemption on 6 July 2024. The loan notes are secured by way of an intercreditor deed between the company and Whistler Topco Limited and Whistler Bidco Limited. Until the loan notes are redeemed or repaid interest will accrue, compounding annually on 28 March, and be paid on the redemption date.

15 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	1	1	1	1

16 Profit and loss reserves

The profit and loss reserve includes all current and prior period retained profits and losses.

17 Financial commitments, guarantees and contingent liabilities

Whistler Midco Limited has given a debenture to Glas Trust Corporation Limited (the security agent for the "Lenders": Permira Credit Solutions and The Royal Bank of Scotland Plc) to secure a cross guarantee given under an intercreditor deed in respect of loan borrowings owed to the Lenders due from Whistler Topco Limited, Whistler Bidco Limited, Cooper Topco Limited, Cooper Bidco Limited, WHP (Holdings) Limited, WHP Telecoms Limited, Paragon Telecoms Limited, Sitec Infrastructure Services Limited, Redhall Network Solutions Holdings Limited, Redhall Network Solutions Limited, Blue Clarity Design Services Ltd and Intelligent Communications Solutions Limited.

18 Events after the reporting date

There have been no significant events affecting the company since the year end date.

WHISTLER MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

19 Related party transactions

The company has taken advantage of the reduced disclosure exemption available under Financial Reporting Standard 102 relating to the disclosure of related party transactions between wholly owned group companies.

No other transactions with related parties were undertaken such as are required to be disclosed Financial Reporting Standard 102.

20 Ultimate controlling party

The immediate and ultimate parent company is Whistler Topco Limited, a company registered in England and Wales, company number 11198084. The registered address is the same as for Whistler Midco Limited. Whistler Topco Limited is the largest group of companies into which the company's results are consolidated where the financial statements are available to the public. Copies of the consolidated financial statements of Whistler Topco Limited may be obtained from the Registrar of Companies at Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party of Whistler Topco Limited is Equistone LLP, a Limited Liability Partnership registered in England and Wales, registration number OC360196. The registered address is One New Ludgate, 60 Ludgate Hill, London, EC4M 7AW.